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MICHIGAN'S LABOR MARKET NEWS

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JOBLESS RATE DOWN IN OCTOBER

Michigan's unemployment rate decreased by 0.1 percentage point as the jobless rate dipped from 6.6 percent in September to 6.5 percent in October (unadjusted). The rate decline represents 3,000 fewer unemployed individuals, as the number of residents looking for work fell to 303,000, while total employment advanced by 33,000 to 4,389,000. The decrease in unemployment was credited to steady employment gains in most local industries. Many employers began hiring individuals who joined the labor force seeking permanent employment, as well as others who were looking for temporary jobs for the holiday season.

Compared with a year ago, labor force and employment have expanded by 79,000 and 149,000 respectively, while unemployment declined by 71,000. This has resulted in an over the year drop of 1.6 percentage points in the state's unemployment rate.

WAGE AND SALARY EMPLOYMENT CONTINUES TO ADVANCE

Total wage and salary employment in Michigan increased again, as industry jobs expanded to 4,029,500 in October. Employment opportunities expanded 30,900 as gains were centered in the services producing industries. Goods producing jobs declined by 3,500, primarily as a result of scattered production adjustments in the automotive and related industries. Service producing employment gained 34,300 jobs during October, as Michigan's schools continued recalling support personnel with the start of the fall semester. Small gains were also recorded in the retail trade and services industries.

In October, the average workweek in the state's manufacturing industries increased to 44 hours from 43.2 hours the previous month. The gain was due to additional hours worked by individuals in the automotive and related industries. Over the month, average hourly earnings fell by 12 cents to $15.45. As a result, average weekly earnings in manufacturing reached $679.80, a gain of $7.18 over September's total.

HOURS AND EARNINGS
MICHIGAN

	Average Hourly Earnings		Average Weekly Hours	
	1993		1993	
	Oct.	Sept.	Oct.	Sept.
Manufacturing	15.45	15.57	44.0	43.2
Durables	16.45	16.58	44.5	43.6
Motor Vehicles	20.39	20.31	44.9	43.8
Nondurables	12.42	12.54	42.3	42.2

CURRENT POPULATION SURVEY REDESIGN

The Current Population Survey (CPS) - the primary source of the nation's statistics on the labor force, total employment, unemployment, and persons not in the labor force - has undergone a major redesign. The new CPS survey will be implemented in January of 1994. A collaborative effort between the Bureau of Labor Statistics and the Bureau of the Census, the redesign

* obtains more data on the labor force,

* measures existing concepts more accurately,

* incorporates a definitional change for discouraged workers,

* shifts data collection to a computer-assisted environment,

* clarifies the prominent role of women, particularly mothers, in the labor force.

REDESIGN IMPACT

Significant changes in questionnaire syntax and clarification of definitions are expected to improve labor force classification in the following areas:

* Unemployment level/rate

* Unemployment duration

* Discouraged workers

* Employment - to - population ratio

* Part - time workers for economic reasons

Another consequence of the CPS redesign will be a break in the historical continuity of the series. Shifts in levels of economic series typically are accompanied by changes in definitions and data collection methodology.

	Michigan (Data in Thousands)		
	Oct 1993	Sept 1993	Oct 1992
Place of Residence			
Labor Force	4,693	4,663	4,614
Employment	4,389	4,357	4,240
Unemployment	303	306	374
Rate (Percent)	6.5	6.6	8.1
Place of Work			
Total Employment	4,029	3,999	3,981
Goods Producing	1,055	1,059	1,049
Const. & Mining	156	156	147
Manufacturing	900	902	902
Durable Goods	662	665	669
Primary Metals	37	37	36
Fabricated Metals	118	117	116
Trans. Equip.	269	272	282
Nondurable Goods	238	237	233
Food & Kindred	46	46	46
Other Nondurable	192	191	187
Service Producing	2,974	2,940	2,932
Tran. Comm. Util.	157	157	156
Wholesale Trade	198	198	201
Retail Trade	747	742	740
General Merch.	119	116	118
Eating & Drinking	263	263	262
Fin. Ins. Real Est.	188	189	188
Finance	86	86	86
Services	1,026	1,020	986
Business Services	206	203	193
Health Services	335	335	326
Other Services	485	482	467
Government	659	634	661
Federal	57	57	57
State	172	164	171
Local	431	414	433
Labor Disputes	3.6	0.8	0.3

Civilian Labor Force and Wage & Salary Estimates

	Ann Arbor			Battle Creek			Benton Harbor		
	Oct 1993	Sept 1993	Oct 1992	Oct 1993	Sept 1993	Oct 1992	Oct 1993	Sept 1993	Oct 1992
Place of Residence									
Labor Force	164,700	161,000	162,800	67,000	65,800	64,900	80,200	78,800	78,700
Employment	158,700	154,900	155,300	62,700	61,600	60,200	74,500	73,200	71,900
Unemployment	5,900	6,100	7,500	4,300	4,200	4,800	5,700	5,500	6,800
Rate (Percent)	3.6	3.8	4.6	6.4	6.3	7.4	7.1	7.0	8.6
Place of Work									
Total Employment	179,000	174,200	177,900	62,200	61,200	60,900	68,300	67,100	67,400
Construction & Mining	4,300	4,300	3,900	2,200	2,200	2,100	2,000	2,000	2,000
Manufacturing	33,900	34,400	37,500	16,600	16,400	16,200	20,000	19,700	20,200
Tran., Comm. & Utilities	3,800	3,900	4,200	2,000	1,900	2,000	3,000	3,000	2,900
Wholesale Trade	4,700	4,700	5,100	1,700	1,700	1,700	2,200	2,200	2,200
Retail Trade	26,600	26,500	26,900	11,800	11,700	11,300	12,200	12,400	11,900
Fin., Ins. & Real Estate	5,000	5,100	4,900	3,100	3,100	3,100	2,700	2,600	2,600
Services	40,500	40,600	39,600	13,200	13,000	13,000	16,800	16,000	16,100
Government	60,200	54,700	55,800	11,500	11,200	11,600	9,500	9,200	9,500
Labor Disputes	0	0	0	0	0	0	0	0	0.1

	Jackson			Kalamazoo			Lansing		
	Oct 1993	Sept 1993	Oct 1992	Oct 1993	Sept 1993	Oct 1992	Oct 1993	Sept 1993	Oct 1992
Place of Residence									
Labor Force	67,300	66,600	66,100	125,400	122,800	122,600	245,800	241,600	241,300
Employment	62,400	61,600	59,900	120,500	117,800	116,000	234,700	230,300	226,700
Unemployment	4,900	5,000	6,200	4,900	4,900	6,600	11,200	11,300	14,600
Rate (Percent)	7.3	7.6	9.3	3.9	4.0	5.4	4.5	4.7	6.1
Place of Work									
Total Employment	55,700	55,100	54,700	119,100	116,800	117,200	219,300	215,500	217,100
Construction & Mining	1,700	1,600	1,700	4,400	4,400	4,300	6,500	6,700	6,600
Manufacturing	12,400	12,200	12,100	27,500	27,400	27,600	28,300	28,200	28,200
Tran., Comm. & Utilities	3,600	3,600	3,500	3,100	3,100	3,000	6,600	6,600	6,500
Wholesale Trade	2,200	2,200	2,200	4,400	4,500	4,400	8,600	8,600	8,400
Retail Trade	11,700	11,600	11,300	22,400	21,900	21,800	40,000	39,500	39,400
Fin., Ins. & Real Estate	1,700	1,600	1,800	6,500	6,500	6,400	12,500	12,700	12,300
Services	12,200	12,200	11,700	31,000	30,700	30,200	47,600	47,300	44,900
Government	10,300	10,100	10,500	19,700	18,300	19,400	69,200	65,900	70,800
Labor Disputes	0	0	0	0	0	0	0.2	0	0

Civilian Labor Force and Wage & Salary Estimates

	Detroit (Data in Thousands)			Flint			Grand Rapids		
	Oct 1993	Sept 1993	Oct 1992	Oct 1993	Sept 1993	Oct 1992	Oct 1993	Sept 1993	Oct 1992
Place of Residence									
Labor Force	2,170	2,161	2,141	182,500	182,000	183,300	403,600	400,600	393,100
Employment	2,027	2,012	1,962	164,500	164,400	161,800	384,800	381,700	368,100
Unemployment	143	149	179	18,000	17,700	21,400	18,800	18,900	25,000
Rate (Percent)	6.6	6.9	8.4	9.9	9.7	11.7	4.7	4.7	6.4
Place of Work									
Total Employment	1,918	1,912	1,902	164,600	165,000	165,800	379,100	377,400	370,700
Construction & Mining	63	65	60	5,600	5,800	5,100	16,600	16,600	16,000
Manufacturing	427	429	422	44,900	45,300	46,900	103,000	102,400	100,800
Tran., Comm. & Utilities	90	89	87	4,400	4,600	4,800	13,800	13,600	13,500
Wholesale Trade	111	111	112	7,000	7,000	7,300	28,100	28,200	27,700
Retail Trade	347	342	343	32,200	32,400	32,700	69,300	69,100	68,500
Fin., Ins. & Real Estate	102	106	107	6,000	6,000	5,800	17,100	17,300	16,400
Services	539	538	528	40,800	40,800	38,800	92,800	91,300	89,600
Government	240	233	242	23,700	23,100	24,300	38,500	38,900	38,100
Labor Disputes	3.3	0.2	0.2	0	0	0	0.2	0.1	0

	Muskegon			Saginaw - Bay - Midland			Upper Peninsula		
	Oct 1993	Sept 1993	Oct 1992	Oct 1993	Sept 1993	Oct 1992	Oct 1993	Sept 1993	Oct 1992
Place of Residence									
Labor Force	66,700	66,900	66,700	193,400	191,700	189,800	153,600	153,800	149,500
Employment	60,300	60,800	59,200	181,000	179,600	175,900	142,200	142,900	136,300
Unemployment	6,400	6,100	7,500	12,400	12,100	13,900	11,400	10,900	13,200
Rate (Percent)	9.6	9.1	11.2	6.4	6.3	7.3	7.4	7.1	8.8
Place of Work									
Total Employment	57,000	57,500	57,200	167,800	167,100	167,100	120,900	121,100	118,700
Construction & Mining	2,200	2,200	2,000	8,900	8,900	7,900	8,500	8,700	8,400
Manufacturing	14,700	14,800	15,200	42,000	41,500	43,200	15,100	15,200	15,200
Tran., Comm. & Utilities	2,200	2,200	2,300	6,400	6,500	6,400	5,600	5,700	5,600
Wholesale Trade	2,200	2,200	2,200	5,800	5,800	6,000	3,200	3,200	3,200
Retail Trade	11,200	11,400	11,300	36,200	35,700	35,500	24,900	25,400	24,500
Fin., Ins. & Real Estate	1,800	1,800	1,800	6,100	6,200	6,000	4,200	4,300	4,200
Services	13,100	13,400	12,800	40,900	41,300	39,800	24,600	25,300	23,000
Government	9,500	9,500	9,600	21,500	21,100	22,200	34,700	33,200	34,600
Labor Dispues	0	0.1	0	0	0	0	0	0.4	0

MAJOR LABOR MARKET AREAS

EMPLOYMENT INCREASES IN MOST METROPOLITAN AREAS

Michigan's 12 major labor market areas showed minor changes in their unemployment rates during October. Jobless rates fell in five areas, rose in six and held steady in the Grand Rapids area at 4.7 percent. The rate changes were relatively small, averaging two-tenths of a point. All major areas, except Muskegon and the Upper Peninsula showed increases in their work force and employment levels during the month, as workers began entering the job market looking for work during the holiday season.

Among the state's major labor market areas, Ann Arbor exhibited the lowest unemployment rate at 3.6 percent, followed by Kalamazoo with 3.9 percent, while the Flint area had the highest rate at 9.9 percent. The largest rate change occurred in Muskegon area where the jobless rate climbed by half a point to 9.6 percent, following scattered layoffs in several local industries. The Detroit and Jackson areas had the largest declines. Rates in both areas fell by three-tenths of a point to 6.6 and 7.3 percent respectively. Compared with a year ago, the jobless rate declined considerably in all major areas. The most significant decline was recorded in the Jackson area, a drop of 2 percentage points for the year, followed by Detroit and Flint areas with a drop of 1.8 percent each.

PAYROLL EMPLOYMENT UP SEASONALLY

October's nonfarm payroll employment advanced in nine out of the 12 major labor market areas. The Muskegon area showed the only significant decline, caused by temporary layoffs in the retail trade and services industries. Among the major labor market areas, Ann Arbor experienced the largest percentage increase at 2.8 percent followed by Kalamazoo and Lansing with 2.0 and 1.9 percent respectively. Employment gains in these areas were caused mainly by increases in state and local government, as the higher educational facilities continued to recall their support personnel with the beginning of the fall semester. Most major areas also reported scattered increases in retail trade and services, especially health and business services.

During October, the average workweek in the manufacturing industries advanced in eleven major metropolitan areas. The increases were due to additional hours worked in the automotive and related industries. Average hourly earnings moved down in eight metropolitan statistical areas over the month, causing average weekly earnings in four areas to decrease. The largest gains were reflected in Lansing, Jackson, and Muskegon, while the largest declines were in the Flint and Battle Creek metropolitan areas.

MANUFACTURING HOURS AND EARNINGS
Major Labor Market Areas
September and October 1993

Area	Average Weekly Hours		Average Weekly Earnings		Average Hourly Earnings	
	Oct.	Sept.	Oct.	Sept.	Oct.	Sept.
Ann Arbor	45.0	44.2	774.00	764.22	17.20	17.29
Battle Creek	44.0	45.1	745.36	761.29	16.94	16.88
Benton Harbor	44.3	42.7	503.69	491.05	11.37	11.50
Detroit	45.0	44.3	755.10	749.56	16.78	16.92
Flint	45.1	45.0	925.90	945.90	20.53	21.02
Grand Rapids	42.7	41.9	547.41	538.83	12.82	12.86
Jackson	44.2	43.3	497.25	476.30	11.25	11.00
Kalamazoo	44.4	43.0	659.34	645.43	14.85	15.01
Lansing	41.4	40.3	746.44	661.32	18.03	16.41
Muskegon	41.2	40.0	514.59	494.00	12.49	12.35
Saginaw	43.5	42.6	754.72	760.41	17.35	17.85
Upper Peninsula	40.4	39.7	457.73	461.71	11.33	11.63

REVISED METROPOLITAN AREAS

1) Grand Rapids - Muskegon - Holland MSA	Muskegon, Ottawa, Kent and Allegan counties.
2) Kalamazoo - Battle Creek MSA	Kalamazoo, Calhoun and Van Buren counties.
3) Saginaw-Bay-Midland MSA	Bay, Midland and Saginaw counties.
4) Lansing - East Lansing MSA	Clinton, Eaton and Ingham counties.
5) Benton Harbor MSA	Berrien county.
6) Jackson MSA	Jackson county.
Detroit - Ann Arbor - Flint CMSA	
7) Detroit PMSA	Lapeer, St. Clair, Oakland, Macomb, Wayne and Monroe counties.
8) Ann Arbor PMSA	Livingston, Washtenaw and Lenawee counties.
9) Flint PMSA	Genesee county.

Every ten years, metropolitan areas are redefined. The Office of Management and Budget (OMB) defines Metropolitan Areas (MAs) for statistical purposes in accordance with a set of official published standards which utilize the latest decennial census information. Federal agencies use MAs for collecting, tabulating and publishing data by geographic areas.

The new MA definitions will be reflected beginning with January 1994 data, which will be released in March 1994. Data series reflecting the new definitions will be revised back to 1990. Michigan will have nine MAs (reduced from 11). Muskegon and Battle Creek are no longer separate MAs, but have been merged with the Grand Rapids and Kalamazoo areas, respectively. Livingston and Lenawee counties were added to the Ann Arbor Metropolitan Area. The Detroit Metropolitan Area no longer includes Livingston county.

The above table reflects the new areas and titles. The set of areas known as Metropolitan Statistical Areas (MSAs), Primary Metropolitan Statistical Areas (PMSAs), and Consolidated Metropolitan Statistical Areas (CMSAs) will be designated collectively as Metropolitan Areas (MAs).

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